

INSTRUMENT PREPARED BY  
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE  
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB-11-0719-2979  
ELECTIONS: 900011  
(hereinafter "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992 at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on August 11, 2011, and recorded as Instrument No. 110002068 in the Office of the Clerk of the Circuit Court for Buchanan County, Virginia on August 24, 2011, (herein "Board Order") and (2) to complete the record regarding elections. The Board Order established a drilling unit and pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 *et seq.*, Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
  - (a) The Board Order directed Range Resources-Pine Mountain, Inc., (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;

- (b) The Designated Operator filed its affidavit of mailing dated October 11, 2011, disclosing that it mailed a copy of the Board's Order to the Respondents;
  - (c) The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated March 20, 2012, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.7C (herein "Affidavit of Elections" annexed hereto), wherein it has, for each Respondent whose interests, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election(s) made, if any; and (iii) whether, by reason of failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;
  - (d) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Bank and Trust Company, Trust Division, P.O. Box 3860, Kingsport, TN 37664; Tel: (423) 246-3700; Attn: Debbie Davis, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated July 18, 2006. The Affidavit of Elections indicates that the escrow of funds is not required with regard to 900011.
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at Paragraph 2 above, to the extent escrow was required and to the extent it pertained to the elections and interests of the Respondents who have entered into a royalty split agreement and no longer require escrow of any funds, the Applicant is hereby directed to provide the Board with reconciliation of its and the Escrow Agent's records so that any funds affected by this Order may be disbursed in an appropriate manner.
4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Supplemental Order stating that a true and correct copy of this

Supplemental Order was mailed within seven (7) days from the date of receipt of this Supplemental Order to each Respondent whose address is known.

5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and **IT IS SO ORDERED**.
6. Effective Date: This Order shall be effective as of the date of the Board's approval of this Application, which is set forth at Paragraph 1 above.

DONE AND EXECUTED this 2 day of April, 2012,  
by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert  
Chairman, Bradley C. Lambert

DONE AND PERFORMED this 2<sup>nd</sup> day of April, 2012,  
by the Order of this Board.

Rick Cooper  
Rick Cooper  
Principal Executive to the Staff  
Virginia Gas and Oil Board

STATE OF VIRGINIA     )  
COUNTY OF RUSSELL    )

Acknowledged on this 2<sup>nd</sup> day of April, 2012,  
personally before me a notary public in and for the Commonwealth of Virginia,  
appeared Bradley C. Lambert, being duly sworn did depose and say that he is  
Chairman of the Virginia Gas and Oil Board, and appeared Rick Cooper, being  
duly sworn did depose and say that he is Principal Executive to the Staff of the  
Virginia Gas and Oil Board, that they executed the same and were authorized to  
do so.

Diane J. Davis  
Diane J. Davis, Notary  
174394

My commission expires: 9/30/13



**VIRGINIA:**

***BEFORE THE VIRGINIA GAS AND OIL BOARD***

IN RE: Application of Range Resources-Pine Mountain, Inc, for the Forced Pooling of Interests in 900011, Docket No. VGOB-11-0719-~~2919~~ in the Prater District, Prater Quadrangle, Buchanan County, Virginia.

AFFIDAVIT OF MCKINNIS & SCOTT, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

Timothy E. Scott (herein Affiant), being duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of MCKINNIS & SCOTT, the Agent for the Designated Operator, with offices located at 135 W. Main Street, Suite 200, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on August 16, 2011, by the Virginia Gas and Oil Board regarding the captioned conventional gas unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed and recorded copy of the Order referred to at Paragraph 2, above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent, if known and locatable, named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Lebanon, Virginia;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender written notice of their election of the option selected under Paragraph 9 of the Order to the Designated Operator within thirty (30) days from the date of receipt of a copy of the recorded Order;
5. That the Designated Operator, by and through its agent, McKinnis & Scott, Attorneys-at-Law, has established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order;

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that said procedures were followed to identify the elections, if any, made with regard to Subject Drilling Unit; that the following persons or entities delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day elections period:

<u>Owner:</u>	<u>Tract:</u>	<u>Election:</u>	<u>Interest:</u>
Steve A. Bailey & Rita Bailey	10	Option 3 Carried	0.4300000

6. That the interest and/or claims of the following persons or entities (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, as unknown or unlocatable:

None

7. That after the pooling hearing held in the captioned matter, the following persons or entities have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims:

<u>Owner:</u>	<u>Tract:</u>	<u>Interest:</u>
Ricky Fearl Junior Yates	26	0.38500000

8. That the Designated Operator with regard to persons previously requiring the services of the Escrow Agent have now reached an agreement regarding their interests or claims that allows Applicant/Designated Operator to make royalty distribution without the need to escrow funds which would otherwise be in conflict:

None

9. That the Respondents identified in Revised Exhibit B-3 hereto have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective oil and gas rights, interests and claims shall be deemed to have leased to Applicant/Designated Operator pursuant to and in accordance with Paragraph 10 of the Board Order dated August 11, 2011:

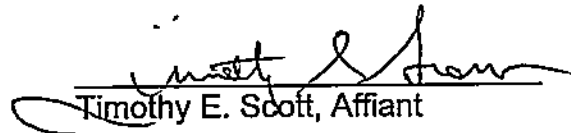
See Revised Exhibit B-3

10. The Designated Operator requests that the following persons be dismissed as Respondents:

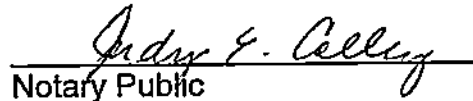
<u>Owner:</u>	<u>Tract:</u>	<u>Interest:</u>
Ricky Fearl Junior Yates	26	0.38500000

That pursuant to the provisions of 4VAC 25-160.70.A.10 and .C and VAC 25-160-80, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent **is not** required in this matter pursuant to the terms of §§ 45.1-361.21.D and 45.1-361.22.A.3 and .4.

Dated at Kingsport, Tennessee, this 20<sup>th</sup> day of March, 2012.

  
Timothy E. Scott, Affiant

Taken, subscribed and sworn to before me by Timothy E. Scott, the Agent for Range Resources-Pine Mountain, Inc., a corporation, on behalf of the corporation, this 20<sup>th</sup> day of March, 2012.

  
Notary Public

My commission expires: 11-20-2013

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**Exhibit "B"**  
**900011 Updated 8/27/2011**

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
<b>Gas Estate Only</b>				
1	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2138 Abingdon, VA 24212	Owner	25.69000000	28.95000000
2	Elbert Shortridge 717 Greenbriar Road Haysi, VA 24256	Leased Life Estate	0.00000000	0.00000000
	Carolyn Sue Turner 717 Greenbriar Road Haysi, VA 24256	Leased Remainder	6.02000000	6.78000000
3	Elbert Shortridge 717 Greenbriar Road Haysi, VA 24256	Leased Life Estate	0.00000000	0.00000000
	Tabitha Jo Dales 1120 Newberry Ridge Clintwood, VA 24228	Leased Remainder	1.50000000	1.69000000
4	Levi & Pauline Sutherland 1024 Patrol Road Haysi, VA 24256	Leased	1.89000000	2.13000000
5	Arnold & Tammy Lynn Deel PO Box 732 Doran, VA 24612	Leased	0.40000000	0.45000000
6	Francis Gay Blankenship 1749 Greenbriar Road Haysi, VA 24256	Leased	0.45000000	0.51000000
7	Johnnie J Fuller 1781 Greenbriar Road Haysi, VA 24256	Leased	0.04000000	0.05000000
8	Eat & Beatrice Steel 1034 Old Greenbriar Road Haysi, VA 24256	Leased	2.16000000	2.43000000
9	Eat Lee Coleman 1111 Old Greenbriar Road Haysi, VA 24256	Leased	0.01000000	0.01200000
	Clinton & Linda Swiney 1109 Old Greenbriar Road Haysi, VA 24256	Leased	0.01000000	0.01200000
	Darrell & Katherine Coleman 1065 Old Greenbriar Road Haysi, VA 24256	Leased	0.01000000	0.01200000
	Euva Conaway PO Box 458 Haysi, VA 24256	Leased	0.01000000	0.01200000
	Antha Gay Breeding PO Box 38 Big Rock, VA 24603	Leased	0.01000000	0.01200000
10	Steve A & Rita Bailly 2613 Greenbriar Road Haysi, VA 24256	Unleased	0.43000000	0.48000000

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11	Darrell & Katherine Coleman 1085 Old Greenbriar Road Haysi, VA 24256	Leased	1.96000000	2.21000000
12	Clinton & Linda Swiney 1109 Old Greenbriar Road Haysi, VA 24256	Leased	0.43000000	0.49000000
13	Earl Lee Coleman 1111 Old Greenbriar Road Haysi, VA 24256	Leased	0.43000000	0.49000000
14	Donald Deel 1153 Old Greenbriar Road Haysi, VA 24256	Leased	1.30000000	1.47000000
15	Andrew J & Pearlle Deel 1171 Old Greenbriar Road Haysi, VA 24256	Leased	0.91000000	1.03000000
16	Jimmy Goebel Mullins PO Box 65 Breaks, VA 24607	Leased	0.48000000	0.54000000
17	Ival Jean Deel 1023 Academy Road Haysi, VA 24256	Leased	1.31000000	1.48000000
18	Dorthenla O'quinn 1038 Grove Road Haysi, VA 24256	Leased Life Estate	0.00000000	0.00000000
	Jeffrey O'quinn 1064 Grove Road Haysi, VA 24256	Leased Remainder	1.09000000	1.23000000
19	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	19.67000000	22.17000000
20	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	15.31000000	17.25000000
21	Kenneth O'quinn 11174 Lovers Gap Road Haysi, VA 24256	Unleased	0.94000000	1.06000000
22	Larry Deel 377 Greenbriar Road Haysi, VA 24256	Unleased	0.67000000	0.74000000
23	Rebecca Bartley 569 Wagon Trail Haysi, VA 24256	Unleased	0.04000000	0.04000000
24	Cathy D Owens 441 Greenbriar Road Haysi, VA 24256	Unleased	4.24000000	4.78000000
25	Katherine Coleman 1835 Greenbriar Road Haysi, VA 24256	Leased	1.55000000	1.73000000
26	Ricky Fearl Junior Yates 2425 Old Springs Road Haysi, VA 24256	Leased	0.38500000	0.43500000
	Michael Dylan Yates 2425 Old Springs Road Haysi, VA 24256	Unleased	0.38500000	0.43500000



27	Sadie Deel 583 Greenbriar Road Haysi, VA 24256	Leased	0.06000000	0.07000000
	Margiphine Yates 1446 Hazard Road Haysi, VA 24256	Leased	0.06000000	0.07000000
28	Delmar Wayne Dale, Sr 647 Greenbriar Road Haysi, VA 24256	Leased Life Estate	0.00000000	0.00000000
	Delmar Wayne Dale, Jr 647 Greenbriar Road Haysi, VA 24256	Leased Remainder	5.07500000	5.72000000
	Jonethan Wade Dale 647 Greenbriar Road Haysi, VA 24256	Leased Remainder	5.07500000	5.72000000
<b>TOTAL GAS ESTATE</b>			<b>100.00000000</b>	<b>112.89000000</b>
Percentage of Unit Leased		93.29500000		
Percentage of Unit Unleased		6.70500000		
Acreage in Unit Leased		105.15500000		
Acreage in Unit Unleased		7.53500000		

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**Exhibit "B-3" - Unleased Owners**  
**900011 Updated 8/27/2011**

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
<b>Gas Estate Only</b>				
10	Steve A & Rita Baillye 2613 Greenbriar Road Haysi, VA 24256	Unleased	0.43000000	0.48000000
21	Kenneth O'quinn 11174 Lovers Gap Road Haysi, VA 24256	Unleased	0.94000000	1.06000000
22	Larry Deel 377 Greenbriar Road Haysi, VA 24256	Unleased	0.67000000	0.74000000
23	Rebecca Bartley 569 Wagon Trail Haysi, VA 24256	Unleased	0.04000000	0.04000000
24	Cathy D Owens 441 Greenbriar Road Haysi, VA 24256	Unleased	4.24000000	4.78000000
26	Michael Dylan Yates 2425 Old Springs Road Haysi, VA 24256	Unleased	0.38500000	0.43500000
	<b>TOTAL GAS ESTATE</b>		<b>6.70500000</b>	<b>7.53500000</b>

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**Exhibit "E" - Escrow Owners  
900011**

<b>Tract</b>	<b>Lessor</b>	<b>Lease Status</b>	<b>Interest Within Unit</b>	<b>Gross Acreage in Unit</b>
<b>Gas Estate Only</b>				
<b>NONE</b>				
<b>TOTAL GAS ESTATE</b>			<b>0.00000000</b>	<b>0.00000000</b>

INSTRUMENT #120000764  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY ON  
APRIL 23, 2012 AT 12:17PM

BEVERLY S. TILLER, CLERK  
RECORDED BY: GGB